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RUEHBUL/AMEMBASSY KABUL 0133
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RUEHNE/AMEMBASSY NEW DELHI 0229
RUEHKP/AMCONSUL KARACHI 0061
RUEHIL/AMCONSUL LAHORE 0005
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RUCPDOC/DEPT OF COMMERCE WASHDC
RUEHC/DEPT OF LABOR WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 AMMAN 000519

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STATE PASS TO USTR SAUMS, ROSENBERG, KARESH
STATE PASS TO DOL JAMES RUDE

E.O. 12958: DECL: 02/04/2017

TAGS: ELAB ETRD GTIP KTEX BG JO

SUBJECT: GOVERNMENT AND PRIVATE SECTOR RESPOND POSITIVELY
TO USTR CONCERNS

REF: CLASSIFIED BY AMBASSADOR DAVID HALE FOR REASONS
1.4 (B) AND (D).

¶1. (SBU) SUMMARY: USTR Middle East Director met with the Ministers of Industry and Trade, Justice, and Labor and with private-sector representatives to discuss labor conditions in Jordan's garment sector during a visit January 31-February 1.

With government officials, USTR emphasized three key points: (1) the prominence of the labor issue in Washington, (2) the need for Jordan to formulate and articulate a clear strategy that reflects the input of all stakeholders, government and private-sector, and (3) the criticality of aggressive public outreach both at home and in the U.S. Ambassador and senior GoJ officials have agreed to consult on the release of the short-term assessment report when it is ready, sometime after February 16. The Jordanians may opt to delay issuance, to prepare a public relations strategy, after a possible early March visit by King Abdullah to the U.S. The Minister of Labor conveyed his intent to travel to the U.S. ahead of the report's release and pro-actively respond to the criticisms raised in the report. END SUMMARY.

¶2. (C) In a meeting with Minister of Labor Basem Salem on January 31, USTR Middle East Director Edmund Saums underscored the need to "move forward with urgency" on the labor front. Saums indicated that in Washington labor is "at the center of trade discussions." With regards to the short-term assessment report (conducted by an independent expert funded by USAID and endorsed by the MoL) which provides painstaking detail on labor conditions in Jordan's Qualifying Industrial Zone garment factories, Saums emphasized "frank, up-front acknowledgment of the issue sooner rather than later is critical." In response, Salem replied that he "was not against issuing the report" but that others in government were concerned about the proximity of the report's release to the King's anticipated visit to Washington in early March. Both Saums and the Ambassador emphasized that the release of the report is an opportunity to demonstrate Jordan's openness in admitting its labor challenges and would provide an opportunity to showcase its efforts in labor reform over the last nine months. As a follow-on, Saums indicated that the GoJ's pro-activeness and

transparency has won it trust in congressional circles since the release of the National Labor Committee report in May 2006 which originally highlighted labor problems in Jordan. After a series of discussions, Ambassador agreed with senior officials on February 2 to consult closely on release of the report, once it is completed, sometime after February 16. Depending on the timing of the report's readiness and the King's schedule, the Jordanians may opt to release it after the King's next trip to the U.S., possibly in early March. NOTE: Post plans to work closely with the MoL to develop a communications strategy in which the Minister can share the report's results with stakeholders (i.e., buyer groups, OIZ investors, worker rights representatives) as well as with media outlets. END NOTE.

¶13. (C) Saums' encouragement that the GoJ do more on formulating a more clear strategy on labor registered strongly with Salem. Salem said that in the upcoming meeting with the PM, the group of Ministers planned to discuss the need for a comprehensive approach to labor. Salem indicated that this was another area where he would shortly ask the PM for approval to have the Ministry of Labor lead the effort. Saums added that an overall comprehensive strategy should also include the private sector. Using the model of USTR private sector meetings as an example, Saums said private-sector input is critical to developing policy in the U.S. Salem openly admitted that private sector involvement in Jordan remained a challenge. While he made clear his door is open to private sector representatives, Salem said that "we speak two different languages." He asked for USG support in helping the two sides "see eye-to-eye" and getting the private-sector to recognize "international labor standards as

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a benchmark." Salem was quick to point out that this would require more pro-active American buyer and brand input as well.

¶14. (C) On the labor law, Salem indicated his intent to get the draft labor law to Cabinet in the coming week where "it will pass quickly." Submitting it to Parliament would be next and Salem expressed hope that it would receive priority but was clear that it might not be approved in this session of Parliament.

¶15. (C) In response to the emphasis to move quickly and communicate effectively, Salem took it upon himself to accelerate the selection and engagement of a U.S. public relations firm. COMMENT: Salem seems keen to have the public relations firm fully engaged before the release of the short-term assessment report. END COMMENT.

¶16. (C) In separate meetings, Ministers of Industry and Trade and Justice responded positively to the USTR points. Newly-appointed Minister of Industry and Trade, Salem Khaza'leh, highlighted his Ministry's engagement with the private-sector but acknowledged the need for better coordination among ministries to respond to private-sector concerns as well as the need to address labor law enforcement more comprehensively.

¶17. (C) Minister of Justice and ex-Minister of Industry and Trade Sharif Zu'bi echoed a similar sentiment with respect to coordination with Ministry on Labor and Interior on prosecution of labor law violators. Zu'bi indicated that the Ministry of Justice will be "heavily involved" in the prosecutions and "will start to take some tough actions." As the newly-appointed Minister of Justice, he promised to devote his energies to pushing for "high-profile prosecutions."

HALE